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## Mexico

**Post:** Mexico

### SE Modifies Portions of the Sugar TEP Mechanism

**Report Categories:**

Sugar

Agriculture in the Economy

Policy and Program Announcements

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**Report Highlights:**

On August 27, 2009, the Secretariat of Economy (SE) published its official amendment of the *Agreement That Entitles the SE to Issue Rules and Standards of Foreign Trade*. Previously, the SE received permission from the Federal Commission for Regulatory Improvement (COFEMER) to modify the Temporary Export Permits (TEP) mechanism (see MX9050). Through these changes, the SE now has more authority over the TEP mechanism, and all requests to use the mechanism must be made in writing according to Rule 3.8.1., which is reproduced below.

**General Information:**

**Disclaimer:** This summary is based on a cursory review of the subject announcement and

therefore should not, under any circumstance, be viewed as a definitive reading of the regulation in question, or its implication for the U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the later shall prevail.

**Title:** *Agreement That Entitles the SE to Issue Rules and Standards of Foreign Trade*

**General Information:** On August 27, 2009, the Secretariat of Economy (SE) published a modification to the *Agreement That Entitles the SE to Issue Rules and Standards of Foreign Trade*, which was first published on July 6, 2007. The SE is seeking to promote a regulatory framework that would provide more certainty and order to foreign trade. The SE also recognizes that it is vital that the strategy for the administration of domestic stocks, which is established under the Customs Law, comply with NAFTA 703.2 chapter. The new language complies with NAFTA and has been approved by COFEMER.

The authorized language for the amendment to point 3.8.1 follows:

3.8.1 - To be in compliance with what was outlined in article 116, Fraction IV of the Customs Law, regarding the harmonized tariff schedule (H.T.S.): 1701.11.01, 1701.11.02, 1701.11.03, 1701.12.01, 1701.12.02, 1701.12.03, 1701.99.01, 1701.99.02, 1701.99.99, 1806.10.01 and 2106.90.05, the opinion of the SE to allow the temporary export of sugar must be requested in writing. The petition must contain the following information:

- a. Destination of the temporary export;
- b. H.T.S.;
- c. Volume and value expressed in U.S. dollars;
- d. Timeframe of temporary export;
- e. Country of return, and
- f. Justification of the petition.

The SE will notify the interested party in less than 10 business days and will take into consideration the supply and type of sugar.

**Important Dates:**

Publication Date: August 27, 2009

Enforcement date: August 28, 2009

**Background:** On June 22, 2009, COFEMER received a proposal from the SE requesting that it be allowed to amend the *Agreement That Entitles the SE to Issue Rules and Standards of Foreign Trade*, which was first published on July 6, 2007. Since COFEMER oversees regulatory changes from all government of Mexico (GOM) agencies, the SE had to work with COFEMER on amendments. On July 6, 2009, COFEMER issued its final decision to the SE to publish the amendment (see MX9050).